

Chart 1

World Cotton Area lower on Depressed Prices, Yield Up

- Estimated output at 87.4 Mbales for 1999/00 on higher yield to 584 kg per ha this season up from 558 kg last season.
- Forecast area at 32.6 Mha, down 1 percent from 1998/99 and down from the recent peak of 35.9 million in 1995/96.
- Lower prices are mainly a result of the larger crop in the U.S. and higher export from China than for 1998/99.
- Higher yields are the result of favorable weather conditions and decrease insect and disease damage.

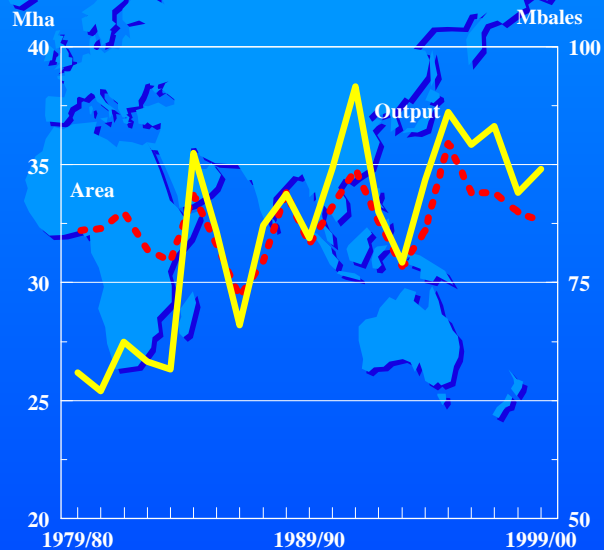


Chart 2

United States' Cotton Up on Area and Yield

- Output for 1999/00 estimated at 16.9 Mbales, up 21 percent from 1998/99.
- Output larger than last year, despite weather related losses.
- Area harvested up from last year's as hot dry weather in Texas lower yield on 25 percent of the 1998/99 U.S. crop.
- Increase area of 1.1 Mha from 1998/99 to 5.4 Mha this season.
- Projected yield at 677 kg per ha this season, compared to 701 kg in 1998/99.

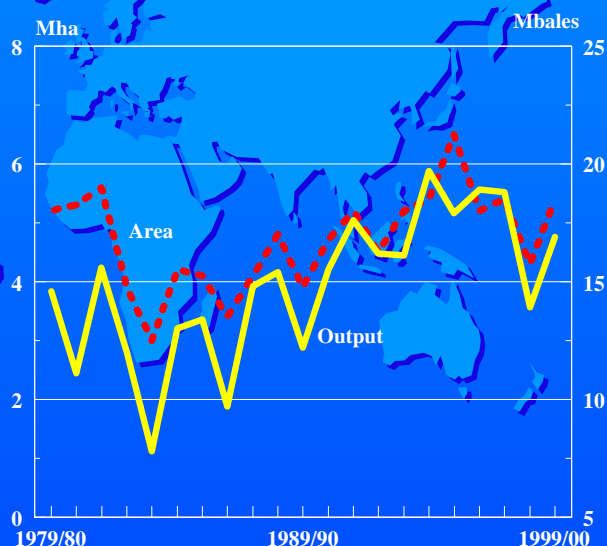


Chart 3

China's Output Down on Record Low Area

- Estimated output for 1999/00 at 19.0 Mbales, down 8 percent from last year and the lowest since 1993/94.
- Forecast yield at a record 1,061 kg per ha, the result of favorable weather, use of improved cotton varieties, and the elimination of marginal land.
- Record-low area of 3.9 Mha, down 0.6 million from last year.
- Reduced government support price caused area drop.

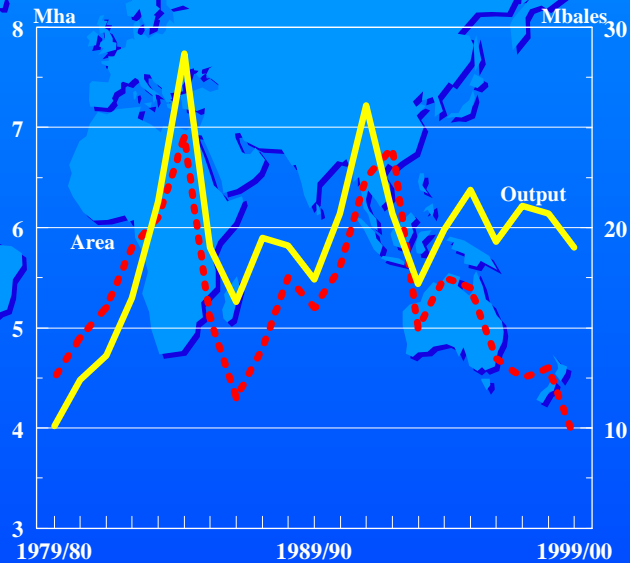


Chart 4

India's Cotton Output Higher on Favorable Weather

- Output forecast at 13.0 Mbales for 1999/00, 2 percent higher than last year's crop of 12.7 million.
- Harvested area forecast at 8.7 Mha, 0.6 million below last year's record.
- Drop in area from 1998/99 occurred largely in the north where area was reduced by an average of 15 percent due to heavy insect losses in the past two seasons.
- Reductions in area was more than offset by gains in yield, especially in the northern cotton zone because of ideal growing conditions throughout the season.

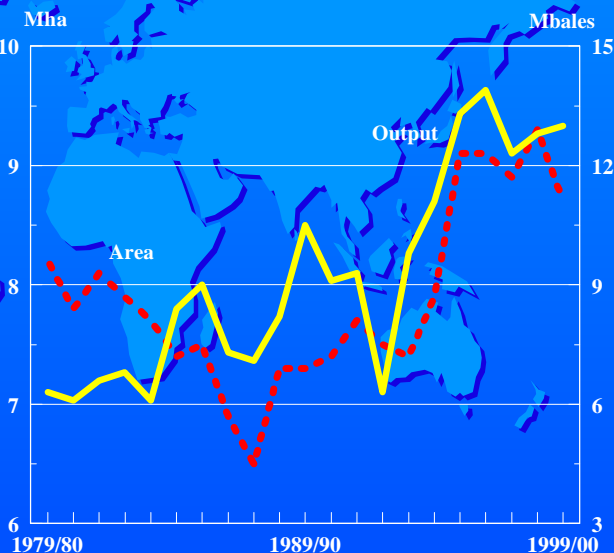


Chart 5

Uzbekistan's Output Up Despite Earlier Insect, Weather Damage

- Output for 1999/00 is estimated at 5.3 Mbales, up 0.7 million from last year's weather reduced crop.
- Growing conditions were varied: heavy rains shortly after planting resulted in extensive replanting, but warm June weather contributed to good early-season development.
- Despite widespread reports describing an increased threat of locust infestation, actual damage was minor.

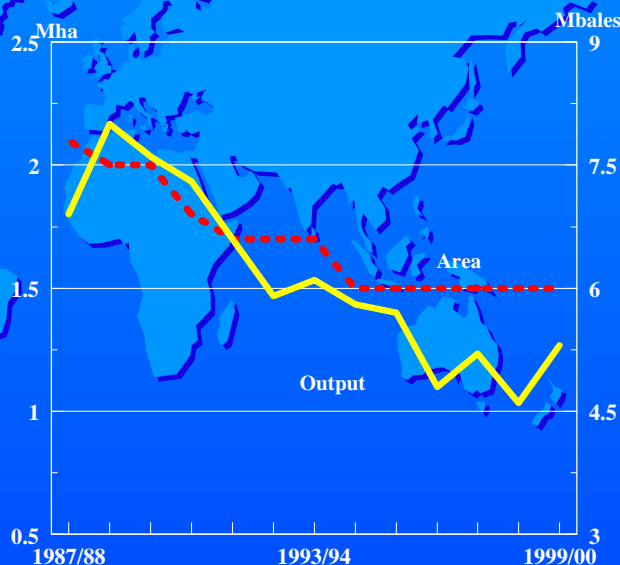


Chart 6

Pakistan's Output Higher on Great Harvest Weather and Lower Seasonal Insect Pressure

- 1999/00 output at 7.8 Mbales, up 1.5 million from last year's weather and insect reduced crop.
- Increase based largely on good growing weather and the absence of major pest problems.
- Cotton arrivals reported about double last year's.
- Faster pace due to early maturation of the crop and farmers' selling just after harvest, rather than risk price declines.
- Marginal third picking (due to low nitrogen usage), predicting the harvest will end by mid-December.

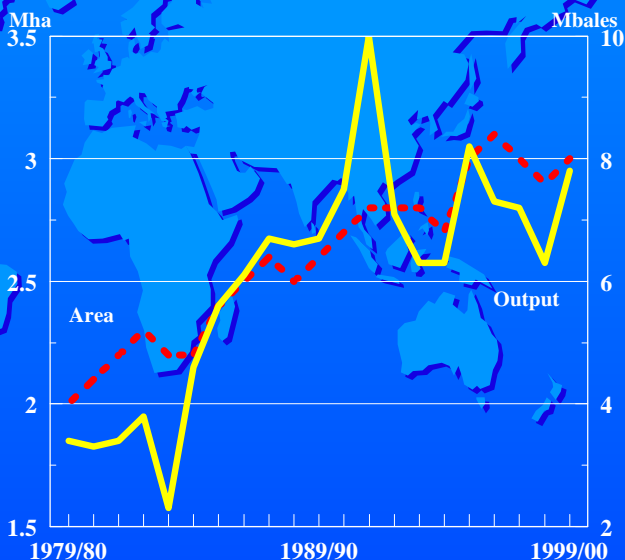


Chart 7

Turkey Cotton Up on Higher Irrigation Area

- Output forecast at 3.9 Mbales for 1999/00, 1 percent higher than last year's crop of 3.85 million.
- Harvested area forecast at 0.73 Mha, 4 percent below last year's.
- Drop in area from 1998/99 occurred largely because GAP growth slowed, allowing the decline in other areas to pull total area down.
- Low cotton prices have allowed other crops to displace cotton in rotation.

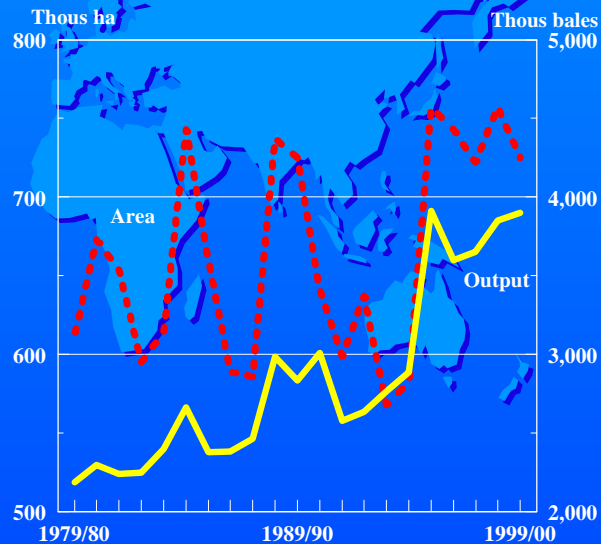


Chart 8

Australia Cotton Up on Higher Irrigation Area

- Output forecast at 3.1 Mbales for 1999/00, nearly 0.2 million lower than last year's crop.
- Harvested area forecast at 0.45 Mha, 0.1 million below last year's record.
- Drop in area from 1998/99 occurred largely because of the reduction in dryland that offset higher irrigated area.
- Higher yields are expected because of the higher ratio of irrigated to dryland.
- Low cotton prices have allowed other crops to displace cotton in rotation.

